

**STATEMENT OF PROCEEDINGS FOR THE
REGULAR MEETING OF THE
CITY OF SAN FERNANDO OVERSIGHT BOARD**

**CITY OF SAN FERNANDO
CITY COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CALIFORNIA 91340**

Thursday, September 11, 2014

10:00 AM

I. CALL TO ORDER

Vice Chair Ramirez called the meeting to order at 10:18 a.m.

II. ROLL CALL

Tanya Ruiz, Administrative Staff, called the roll.

Present: Board Members William Bass, Sonia Gomez-Garcia, Robert Moran, Jerry Ramirez and Vice Chair Frederico Ramirez

Absent: Board Member Monte Perez and Chair Judith Frank

III. ADMINISTRATIVE MATTERS

1. Recommendation: Approve the minutes of June 12, 2014. (14-4062)

On motion of Board Member Moran, seconded by Board Member Bass, unanimously carried (Board Member Perez and Chair Frank being absent), the Oversight Board approved the June 12, 2014 minutes.

Attachments: [June 12, 2014 Minutes](#)

IV. RECOMMENDATIONS

2. Recommendation: Adopt a Resolution approving the Successor Agency to the San Fernando Redevelopment Agency's Administrative Budget for the ROPS 14-15B for the Six-Month Fiscal Period from January 1, 2015 to June 30, 2015. (14-4063)

Nick Kimball, Finance Director, provided an introduction of the Successor Agency's Administrative Budget 14-15B, referencing Exhibit A provided in the agenda packet. Mr. Kimball highlighted each of the direct staff costs and verbally provided a percentage of staff time which is dedicated to the ongoing and daily services of the Successor Agency.

The following percentage for staff time utilized is as follows:

- City Manager - 10%
- Executive Assistant to the City Manager - 15%
- City Clerk - 20%
- Community Development Director - 20%
- Associate Planner - 20%
- Community Preservation Officer (Code Enforcement) - 10%
- Finance Director - 25%
- Junior Accountant - 25%

Board Member Bass announced that he was the one who requested for a breakdown of staff time to better understand the direct cost and overhead, and explained that as a representative and appointee of the School District, his responsibility is to ensure that maximum funds gets distributed to the School District. Board Member Bass indicated that although he is aware of the maximum aggregated amount of \$250,000 per year allowed to each Successor Agency, he suggested that the Successor Agency allocate a lesser amount if the total amount of \$250,000 is not required.

Board Member Bass also requested that a breakdown of staffing time be included in future Administrative Budget reports. Vice Chair Ramirez requested that staff provide a Receive and File report at the next meeting which lists budget actuals and staffing time. Mr. Kimball confirmed that the information would be included in future reports and also assured the Oversight Board that a Receive and File report will be provided at the next meeting along with requested documentation.

On motion of Board Member Ramirez, seconded by Board Member Moran, duly carried by the following vote, the Oversight Board adopted Resolution No. 20, approving a Resolution of the Oversight Board to the Successor Agency to the San Fernando Redevelopment Agency approving an Administrative Budget for the period January 1, 2015 through June 30, 2015 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith:

Ayes: 5 - Board Members Bass, Gomez-Garcia, Moran, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Perez and Chair Frank

Attachments: [Staff Report, Resolution, and Admin Budget 14-15B](#)

3. Recommendation: Adopt a Resolution approving the ROPS 14-15B for the Six-Month Fiscal Period from January 1, 2015 through June 30, 2015, and taking certain other related actions. (14-4066)

Nick Kimball, Finance Director, presented an overview of the Recognized Obligation Payment Schedule (ROPS 14-15B) to the Oversight Board. Mr. Kimball noted the addition of a line item to the ROPS, and also highlighted several line item amendments that will be made to the ROPS:

- **Line Item 32, Startup loan between the City and former Redevelopment Agency: The Item is being re-introduced to the ROPS with request for full payment. The Successor agency staff believes that this item may now be deemed as an enforceable obligation, and is confident that the item complies with Health and Safety Code 34171.d(2)b. In addition, there have been amendments to AB 1484 which allows loan agreements between former Redevelopment Agency and sponsoring entities to be deemed enforceable by the following: 1) whether the Successor Agency has received a Finding of Completion, 2) the Oversight Board approves the loan as an enforceable obligation and 3) the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes.**
- **Line Items 7, 12, and 13: noted as a staff oversight, and therefore staff is requesting to amend the Contract/Agreement Termination Date from June 30, 2014 to June 30, 2015 listed in Column E of the ROPS Detail page.**

Board Member Moran inquired whether the finding for line item 32, was previously introduced to the Oversight Board. Mr. Kimball indicated that the loan item was initially included on ROPS 1 or 2, and was ultimately approved by the Oversight Board. Mr. Kimball further explained that there are two options to effectuate payment. The first option is in relation to Health and Safety Code 34171.d(2)b and whether the loan can be considered as being entered into within the first two years of the onset of the redevelopment project, adding that the Successor Agency believes this is the best suited option for the loan.

The second option is to categorize the loan as an enforceable obligation, and staff would then proceed to request a finding from the Oversight Board. Mr. Kimball added that in that particular instance, the loan will be subject to a different formula and will have a longer pay back period.

Board Member Moran inquired whether there is approved documentation which would be submitted to the Department of Finance (DOF) regarding this matter. Mr. Kimball indicated yes, there is loan documentation that will be forwarded to the DOF which contains the date of the loan, the approved Oversight Board Resolutions, and documentation to verify the date of the establishment of the project area.

Vice Chair Ramirez reiterated that the Successor Agency stance is that the project area was created by the 1994 earthquake, therefore, the Successor Agency is seeking full payment now as it was a loan that was established within the first two years of the creation of the project area. Mr. Kimball concurred.

Board Member Gomez-Garcia confirmed that the backup documentation was provided to the Board Members during the period of ROPS 1 and 2. Vice Chair Ramirez requested that the information be provided to the newest Board Members. Mr. Kimball confirmed and noted that he would work with Tanya Ruiz, Administrative Staff, to ensure the documentation is provided to the Board members.

Mr. Kimball reiterated that staff is requesting for the Oversight Board to approve an amended ROPS version which will include the date change for line items 7, 12, and 13 listed under Column E of the ROPS Detail Page.

On motion of Board Member Moran, seconded by Board Member Gomez-Garcia, duly carried by the following vote, the Oversight Board adopted Resolution No. 21, approving a Resolution of the Oversight Board to the Successor Agency to the San Fernando Redevelopment Agency approving a Recognized Obligation Payment Schedule for the period January 1, 2015 through June 30, 2015 as amended, and taking certain actions in connection therewith:

Ayes: 5 - Board Members Bass, Gomez-Garcia, Moran, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Perez and Chair Frank

Attachments: [Staff Report, Resolution, and ROPS 14-15B](#)

V. STAFF COMMUNICATIONS

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board.

There were none.

VI. MISCELLANEOUS

4. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (14-4078)

Vice Chair Ramirez requested that copies of the Finding Completion which was submitted by the Department of Finance be provided to the Oversight Board at the next meeting.

5. Public Comment. (14-4041)

There were none.

6. Adjournment. (14-4080)

On motion of Board Member Bass, seconded by Board Member Moran, unanimously carried (Board Member Perez and Chair Frank being absent), the Oversight Board adjourned the meeting at 10:38 a.m.